

# T. Rowe Price Bond Trust I T1

## Benchmark

Barclays US Agg Bond TR  
USD

## Overall Morningstar Rating™

★★★

Out of 913 Intermediate-Term Bond Investments. A fund's overall Morningstar Rating, based on its risk-adjusted return, is a weighted average of its applicable 3-, 5-, and 10-year Ratings. See disclosure for details.

## Morningstar Return

Average

## Morningstar Risk

Average

## Investment Information

### Investment Objective & Strategy

The trust seeks the highest level of income consistent with the preservation of capital over time by investing primarily in marketable debt securities. Under normal circumstances, the trust will invest at least 80% of total assets in income-producing securities, which may include, but are not limited to, U.S. government and agency obligations, mortgage- and asset-backed securities, corporate bonds, foreign securities, collateralized mortgage obligations (CMOs), Treasury Inflation Protected Securities (TIPS), and others, including on occasion, equities. The trust focuses primarily on investment grade income securities.

### Fees and Expenses as of 03-31-14

Expense Ratio	0.40%
Total Annual Operating Exp per \$1000	\$4.00
Maximum Sales Charge	—
12b-1 Fee	—
Redemption Fee/Term	—

### Portfolio Manager(s)

Daniel O. Shackelford, CFA. B.S., University of North Carolina, Chapel Hill, 1980. M.B.A., Duke University (Fuqua), 1991.

### Operations and Management

Inception Date	08-02-10
Management Company	T. Rowe Price Trust Company
Telephone	410-345-2000
Web Site	www.troweprice.com
Issuer	T. Rowe Price Trust Company

### Category Description: Intermediate-Term Bond

Intermediate-term bond portfolios invest primarily in corporate and other investment-grade U.S. fixed-income issues and typically have durations of 3.5 to 6.0 years. These portfolios are less sensitive to interest rates, and therefore less volatile, than portfolios that have longer durations. Morningstar calculates monthly breakpoints using the effective duration of the Morningstar Core Bond Index in determining duration assignment. Intermediate-term is defined as 75% to 125% of the three-year average effective duration of the MCB1.

## Volatility and Risk



### Best 3 Month Return

2.74%  
(Dec '11 - Feb '12)

### Worst 3 Month Return

-3.83%  
(May '13 - Jul '13)

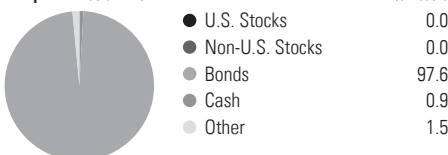
## Performance as of 12-31-14

	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception	
	5.94	5.94	3.16	—	—	3.75	Total Return % as of 12-31-14
	5.97	5.97	2.66	—	—	3.62	Investment
	5.18	5.18	3.38	—	—	3.94	Benchmark
							Average annual, if greater than 1 year
							Investment Return %
							Benchmark Return %
							Category Average %

The performance data quoted reflects past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower than the performance data quoted. For the most recent month end performance information, please call 1-800-922-9945, or visit [rps.troweprice.com](http://rps.troweprice.com).

## Portfolio Analysis

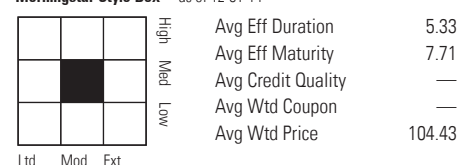
### Composition as of 12-31-14



### Top 10 Holdings as of 12-31-14

Security	% Assets
US Treasury Note 1.25% 10-31-18	5.11
US Treasury Note 1.5% 05-31-19	3.87
US Treasury Bond 3.125% 02-15-43	2.54
US Treasury Note 0.875% 02-28-17	2.38
US Treasury TIP 01-15-24	1.99
US Treasury Note 0.625% 11-30-17	1.42
US Treasury Note 1.5% 11-30-19	1.30
Govt Natl Mtg Asso 4% 01-15-44	1.21
US Treasury Bond 5.375% 02-15-31	1.11
FNMA 4% TBA 04-04-19	1.05
Total Number of Stock Holdings	0
Total Number of Bond Holdings	1185
Turnover Ratio %	133.90
Total Assets (\$mil)	246.04

### Morningstar Style Box™ as of 12-31-14



### Morningstar F-I Sectors as of 12-31-14

Sector	% Fund	% Category
Government	27.43	24.96
Corporate	25.66	26.57
Securitized	45.13	30.02
Municipal	0.90	2.52
Cash & Equivalents	0.89	9.84
Other	0.00	6.09

### Credit Analysis: % Bonds as of 12-31-14

Rating	%	Category
AAA	62	BB
AA	3	B
A	8	Below B
BBB	21	Not Rated

## Principal Risks

For more information on the risks presented, please refer to <http://rps.troweprice.com/riskglossary>. Credit and Counterparty, Extension, Prepayment (Call), Reinvestment, Foreign Securities, Loss of Money, Not FDIC Insured, Active Management, Interest Rate, Market/Market Volatility, Distressed Investments, Inverse Floaters, Restricted/Illiquid Securities, Derivatives, Pricing, Fixed-Income Securities, Dollar Rolls, Shareholder Activity, Compounding, Reliance on Trading Partners